

charges, rent and installation charges, the reasons therefor; and

(b) the additional burden on Government exchequer due to this biased attitude and decision and in what manner Government will compensate the loss of Revenue to the Department of Telecommunications?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR): (a) and (b) Sir, it has been decided to provide certain concessional facilities such as waiver of registration charges, installation charges and bi-monthly rental (at the present level), to the employees of the Department of Telecom Services and Telecommunications who wish to take private connections. This operational decision has been taken in the wake of increased competitive environment which has emerged in the telecom sector. The decision is meant to motivate its employees and increase their availability. No formal orders have, however, been issued so far in view of stay granted by Hon'ble<sup>7</sup> High Court of Kerala.

#### **Administration of Service Tax**

1760. SHRI RAMACHANDRA KHUNTIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Service Tax implementation and collection is being entrusted to a separate Directorate, which would be manned by officers of IAS, IPS, Income tax etc. reporting directly to the Secretary Revenue;

(b) whether it is also a fact that the Parliament had been assured that Service Tax, being an indirect tax, would be under the administrative control of Central Board of Excise and Customs; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAY KUMAR): (a) No Sir, there is no such proposal under consideration of the Government at present.

(b) and (c) In the finance Minister's Speech for 1994-95 Budget it was stated that service tax was being proposed as measure for broadening the base of indirect taxes. As such, the levy of service tax is administered by the Central Board of Excise and Customs.